

February 10<sup>th</sup>, 2010

**Minutes of the 129<sup>th</sup> Meeting**  
**of the Tokyo Foreign Exchange Market Committee**  
**(TFEMC)**

Time and date of the meeting:	13:00-14:00 January 14 <sup>th</sup> , 2010
Venue:	Bank of Japan
Chairperson:	Mr. Akira Hoshino
Vice-Chairperson:	Mr. Hokuto Nakano
Vice-Chairperson:	Mr. Tadahiko Nashimoto
Secretary:	Mr. Keiichi Miyata
Attending committee members:	21

I. Resignation and Election of Associate Members

Mr. Hoshino, Chairperson of the Committee, suggested that Mr. Amagi, Associate Member of the Committee, be replaced by Mr. Kei Kuzuhara (Bank of Tokyo-Mitsubishi UFJ), and it was approved.

II. Report of the Discussions at the “Global Meeting of Foreign Exchange Committees”

Mr. Hoshino, Chairperson of the Committee, reported that at the Global Meeting of Foreign Exchange Committees held in Singapore on December 2, 2009, the settlement risk after the failure of Lehman Brothers was discussed, and the participants shared the view that CLS had played a significant role in reducing settlement risk in foreign exchange market during the financial crisis.

Mr. Hoshino, Chairperson of the Committee, also reported that there was a discussion on establishing a central counterparty for foreign exchange derivatives transactions at the meeting, and he gave an additional explanation to it: the bill which passed the U.S. House of Representative on December 12<sup>th</sup> required currency options and non-deliverable forwards to be settled through a central counterparty, while foreign exchange swaps and outright forwards

seemed to be excluded. As for the schedule going forward, he also explained that after the passage of the Senate bill which was currently under discussion, the congressional conference committee would resolve differences in these bills, and the bill was expected to be finalized in spring at the earliest.

### III. Activities of Sub-Committees

#### 1. Sub-Committee on BCP

Mr. Hoshino, Chairperson of the Sub-Committee, reported that, on January 6<sup>th</sup>, he explained the plan of the joint BCP exercise which would be conducted with the money market and securities market on February 8<sup>th</sup> to the participants.

#### 2. Sub-Committee on Market Research

Mr. Nakano, Chairperson of the Sub-Committee, proposed to call a meeting of the Sub-Committee on Market Research in order to examine methods of surveying the market size of foreign exchange margin trading in the “Turnover Survey of Tokyo FX Market” which would be conducted in April this year, and it was approved. In addition, in order to survey the size of foreign exchange market more precisely, the Committee decided to consider whether it was more appropriate to change the basis for reporting from a trading-desk basis to a sales-desk basis.

#### 3. Sub-Committee on E-Commerce

Mr. Koike, Chairperson of the Sub-Committee, reported that they had a meeting on December 11<sup>th</sup> last year, inviting Mr. Matsudaira from FXAll, and discussed recent trends in foreign exchange trading through electronic platform.

#### 4. Sub-Committee on Education

Mr. Maeba, Chairperson of the Sub-Committee, reported that they would hold a Forex Seminar on February 15<sup>th</sup>, inviting Mr. Izuru Kato from The Totan Research Co. and Mr. Daisaku Ueno from Gaitame.Com Research Institute.

#### 5. Sub-Committee on Committee Steering

Mr. Noguchi, Associate Member of the Committee, reported that the excess stock of printed “Description of 1998 FX and Currency Option Definitions” was disposed of.

#### IV. Schedule on the Annual General Meeting

Mr. Hoshino, Chairperson of the Committee, informed that the Annual General Meeting would be held on March 4<sup>th</sup>.

List of Tokyo Foreign Exchange Market Committee Members  
(January 14<sup>th</sup>, 2010)

Members

Chairperson:

Mr. Akira Hoshino\* (Bank of Tokyo-Mitsubishi UFJ)

Vice-Chairperson and Chairperson of the Sub-Committee on Market Research:

Mr. Hokuto Nakano\* (Mizuho Corporate Bank)

Vice-Chairperson:

Mr. Tadahiko Nashimoto\* (Barclays Bank)

Secretary:

Mr. Keiichi Miyata\* (Bank of Japan)

Chairperson of the Sub-Committee on Committee Steering:

Mr. Masaru Matsuo\* (Mitsubishi UFJ Trust and Banking Co.)

Chairperson of the Sub-Committee on Public Relations:

Mr. Kazuhiro Ooki\* (EBS Dealing Resources Japan)

Chairperson of the Sub-Committee on Education:

Mr. Hiroshi Maeba\* (Nomura Securities)

Chairperson of the Sub-Committee on Legal Matters:

Mr. Shinji Imanishi\* (Sumitomo Trust and Banking Co.)

Chairperson of the Sub-Committee on Code of Conduct:

Mr. Koichi Yoshikawa\* (BNP Paribas)

Chairperson of the Sub-Committee on Settlement:

Mr. Atsushi Komatsu (Mizuho Bank)

Chairperson of the Sub-Committee on E-Commerce:

Mr. Masamichi Koike\* (Sumitomo Mitsui Banking Co.)

Mr. Katsunori Kitakura\* (Chuo Mitsui Trust and Banking)

Mr. Masatomo Odagawa (Goldman Sachs Securities)

Mr. Ryuichi Atsuta\* (Bank of America)

Mr. Yuji Sokawa\* (Reuters Japan)

Mr. Masanobu Ishikawa\* (Tokyo Forex & Ueda Harlow)

Mr. Tomoo Onishi\* (Deutsche Securities)

Mr. Taiji Hirota\* (JPMorgan Chase Bank)

Associate Members

Mr. Yoshihiko Noguchi\* (Money Brokers Association)

Mr. Keiichi Uchiyama\* (Mizuho Corporate Bank)

Mr. Kiyoshi Kuzuhara\* (Bank of Tokyo-Mitsubishi UFJ)

Mr. Akihiko Watanabe\* (Bank of Japan)

Observer

Mr. Daiho Fujii\* (Ministry of Finance)

\*Attended the meeting.